

**SUMMARY OF CHANGES FOR THE
HYBRID VEGETABLE SEED CROP PROVISIONS
(25-0066)
(Released April 2024)**

The following is a brief description of changes to the Hybrid Vegetable Seed Crop Provisions that will be effective for the 2025 and succeeding crop years. Please refer to the Crop Provisions for more complete information.

- Preamble – Clarified that the Hybrid Vegetable Seed Crop Provisions are attached to and made part of the Common Crop Insurance Policy, Basic Provisions;
- Section 1 –
 - Alphabetized the definition of “gross acre”;
 - Clarified the definition of “Minimum guaranteed payment” to include any amount in any contract or payment method issued by the processor or seed company that is paid regardless of the quantity of seed produced;
 - Corrected the capitalization of the definition of “Price election”;
 - Added definition of “Stage” to define Stage I and Stage II of the insured crop;
- Section 2 – Reorganized paragraphs;
- Section 3 – Added new paragraphs (c) and (d) to describe how the amount of insurance for stages is calculated;
- Section 6 – Added new paragraph (d) to clarify what contracts for the insured crop must be provided;
- Section 7 – Added to clarify that the Stage II amount of insurance is always used to calculate premium;
- Section 9 – Removed the phrase “the provisions of” describing section 9 of the Basic Provisions;
- Section 13 – Added claims examples to show how stages impact indemnities; and
- Throughout – Revised section and paragraph numbering.



UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
HYBRID VEGETABLE SEED CROP PROVISIONS

In return for your payment of premium and administrative fee for the coverage, these Hybrid Vegetable Seed Crop Provisions will be attached to and made part of the Common Crop Insurance Policy, Basic Provisions (Basic Provisions) subject to the terms and conditions described herein.

1. Definitions

Amount of insurance (per gross acre) - A dollar amount determined by multiplying the applicable county yield by the applicable price election and coverage level you select and subtracting any minimum guaranteed payment. If your hybrid vegetable seed processor contract contains a minimum guaranteed payment stated in pounds or kilograms, we will convert that value to dollars by multiplying it by the price election you selected.

Certified seed test - A warm germination test on clean seed according to specifications of the "Rules for Testing Seeds" of the Association of Official Seed Analysts.

Clean seed - Hybrid vegetable seed which has been conditioned by the processor/seed company.

Commercial hybrid vegetable seed - The offspring produced by crossing a female and male parent plant, each having a different genetic character. This offspring is the product intended for use by a grower to produce a commercial vegetable crop.

Condition - A process to remove the husk, chaff, immature and undersized seeds, weed seeds, inert matter, other crop seeds, and other materials from the field-run production to the extent such removal is possible, and subsequently drying the hybrid vegetable seed.

County yield - An amount contained in the actuarial documents that represents the yield a type of the hybrid vegetable seed crop would be expected to produce per gross acre. The applicable county yield is contained in the actuarial documents and will be based on records you must ensure are provided to RMA by the processor or seed company.

Female parent plants - Vegetable plants that are grown for the purpose of producing commercial hybrid vegetable seed and are male sterile.

Field-run - Commercial hybrid vegetable seed production before it has been conditioned.

Good farming practices - In addition to the definition contained in the Basic Provisions, good farming practices include those practices required by the hybrid vegetable seed processor contract.

Gross acre (acreage) - Insurable acreage of male and female vegetable plants.

Harvest - Combining and/or threshing the female parent plants to obtain commercial hybrid vegetable seed.

Hybrid vegetable seed processor contract - A legal written contract between you and a processor or seed company, executed on or before the acreage reporting date, which is in effect for the crop year, containing, at a minimum:

- (1) Your commitment to plant and grow female and male parent plants and to deliver all field-run

commercial hybrid vegetable seed produced from the female plants to the processor or seed company;

- (2) The processor or seed company's commitment to purchase the commercial hybrid vegetable seed stated in the hybrid vegetable seed processor contract; and
- (3) A stated value, compensation, or method to derive a value that will be paid to you for the production stated in the hybrid vegetable seed processor contract for the clean commercial hybrid vegetable seed variety.

Inadequate germination - Germination less than 85 percent of the commercial hybrid vegetable seeds as determined using a certified seed test.

Insurable interest - In lieu of the definition in the Basic Provisions, your share of the financial loss that occurs in the event seed production is damaged by a cause of loss specified in section 11 of these Crop Provisions.

Male parent plants - Vegetable plants grown for the purpose of pollinating the female parent plants.

Minimum guaranteed payment -

- (1) The total amount (often stated in dollars) that will be paid or credited to you by the processor or seed company regardless of the quantity of seed produced, including:
 - (i) A minimum amount specified in your hybrid vegetable seed processor contract, and
 - (ii) Any other amount applicable for any purpose that is specified in:
 - (A) Your hybrid vegetable seed processor contract; and
 - (B) Any contract or payment method issued by the processor or seed company;
- (2) The minimum guaranteed payment amount will not be reduced by any limitations, exceptions, exclusions, or any other terms that are contained in the hybrid vegetable seed processor contract, any other contracts or payment methods authorized by the processor or seed company. If any of your contracts or methods of payment contain payment amounts that increase based on the insured crop's development, the highest payment amount stated in any of your contracts or methods of payment will be used in determining the minimum guaranteed payment.

Planted acreage - In addition to the definition contained in the Basic Provisions, the insured crop must be planted in rows wide enough to permit mechanical cultivation, unless otherwise provided by the Special Provisions.

Planting pattern - The arrangement of the rows of female and male parent plants in a field, such as planting two consecutive rows of male parent plants and then two consecutive rows of female parent plants.

Pound - A unit of weight equal to 16 ounces avoirdupois.

Practical to replant - In addition to the definition contained in the Basic Provisions, practical to replant applies to either the female or male parent plants. It will not be considered practical to replant unless production from the replanted acreage can be delivered under the terms of the hybrid vegetable seed processor contract, or the processor or seed company agrees in writing that it will accept the production from the replanted acreage.

Price election - The price contained on the actuarial documents for establishing the amount of insurance and the value of appraised production to count (for purposes of section 13(c)(1)(ii) and (iii) of these Crop Provisions).

Processor - Any business enterprise regularly engaged in the processing of hybrid vegetable seed that possesses all licenses and permits for processing hybrid vegetable seed required by the state in which it operates and that owns or has contracted sufficient drying, screening, and bagging or packaging equipment to accept and process the hybrid vegetable seed within a reasonable amount of time after harvest.

Sample - For the purpose of the certified seed test, at least the minimum weight of randomly selected clean hybrid vegetable seed specified in the Special Provisions for each type of hybrid vegetable seed.

Seed - The applicable seed type for the specific hybrid vegetable seed crop. For example, the hybrid carrot seed crop is planted with either carrot seed or stecklings (transplanted roots).

Seed company - A business enterprise that possesses all licenses for processing or marketing commercial hybrid vegetable seed required by the state in which it is domiciled or operates, and which possesses or has contractual access to facilities with enough drying and storage capacity to accept and process the insured crop within a reasonable amount of time after harvest. If the seed company is the insured, it must also be a corporation.

Seed production - All clean seed produced by female parent plants of appropriate dryness and size, with a germination rate of at least 85 percent as determined by a certified seed test unless a different percentage is specified in the Special Provisions.

Stage - The stages are as follows:

- (1) Stage I extends from planting until harvest; and
- (2) Stage II, harvest of the insured crop.

Type - A category of hybrid vegetable seed identified as a type in the Special Provisions (e.g., hybrid carrot seed or other hybrid vegetable seed types, as applicable). Notwithstanding type as the basis for the insured crop, type may be separated into subcategories (e.g., winter, or spring) for the purpose of establishing separate premium rates, price elections, price percentages or other applicable purposes under hybrid vegetable seed policy.

2. Unit Division

(a) In lieu of the definition of "basic unit" contained in the Basic Provisions:

- (1) A basic unit will consist of all acreage planted to the insured crop in the county that will be used to fulfill a hybrid vegetable seed processor contract; and

(2) There will be no more than one basic unit for all production contracted with each hybrid vegetable seed processor contract.

(b) In accordance with section 13 of these Crop Provisions, for contracts specifying an amount of production to be delivered, all production from any basic unit in excess of the amount under contract will be included as production to count if such production is applied to any other basic unit for which the contracted amount has not been fulfilled.

(c) The optional, enterprise, and whole-farm unit provisions in the Basic Provisions are not applicable.

3. Insurance Guarantees, Coverage Levels, and Prices

In accordance with the requirements of section 3 of the Basic Provisions:

(a) You may select only one coverage level for each crop you elect to insure in the county.

(b) You may select only one price election for each insured type in the county unless the actuarial documents provide different price elections by type (e.g., hybrid carrot seed-winter). If different price elections by type are designated in the actuarial documents, you may select one price election for each type even if the prices for each type are the same. The price elections you choose for each type are not required to have the same percentage relationship to the maximum price election offered by us for each type. For example, if you choose 100 percent of the maximum price election for one type, you may choose 65 percent of the maximum price election for another type.

(c) Your amount of insurance per acre progresses in stages as follows:

(1) Stage I: Forty percent (40%) of the amount of insurance per gross acre; and

(2) Stage II: One hundred percent (100%) of the amount of insurance per gross acre.

(d) In lieu of the production reporting requirements contained in section 3 of the Basic Provisions, you must ensure the processor or seed company provides the records required by FCIC to establish the county yield for each type (e.g., hybrid carrot seed).

4. Contract Changes

In accordance with section 4 of the Basic Provisions, the contract change date is April 30 preceding the cancellation date.

5. Cancellation and Termination Dates

In accordance with section 2 of the Basic Provisions, the cancellation date is July 15, and the termination date is November 30.

6. Report of Acreage

In addition to the requirements of section 6 of the Basic Provisions, you must:

(a) Report the applicable type contained in the Special Provisions, the location and the insurable acreage of the insured crop;

(b) Report any uninsurable acreage;

(c) Submit a copy of the processor/seed company contract to us on or before the applicable acreage reporting date;

(d) Submit copies of any contracts or payment methods, as described in the definition of minimum guaranteed

- payment in section 1, to us on or before the applicable acreage reporting date; and
- (e) Report the amount, if any, of any minimum guaranteed payment.

7. Annual Premium

In lieu of section 7(c) of the Basic Provisions, the annual premium amount is computed by multiplying the Stage II amount of insurance per gross acre by the premium rate, the insured acreage, your share at the time of planting, and any applicable premium adjustment factors contained in the actuarial documents.

8. Insured Crop

(a) In accordance with section 8 of the Basic Provisions, the crop insured will be all gross acreage of the hybrid vegetable seed of the type (e.g., hybrid carrot seed) contained in the Special Provisions for which you elect insurance coverage in the county and for which a premium rate is provided by the actuarial documents:

- (1) In which you have a share;
- (2) That is grown under a hybrid vegetable seed processor contract;
- (3) That is planted for harvest as commercial hybrid vegetable seed in accordance with the requirements of the hybrid vegetable seed processor contract and the production management practices of the processor/seed company;
- (4) That is irrigated;
- (5) That is not (unless allowed by the Special Provisions):
 - (i) Planted with a mixture of female and male parent seed in the same row;
 - (ii) Planted for any purpose other than for commercial hybrid vegetable seed;
 - (iii) Interplanted with another crop;
 - (iv) Planted into an established grass or legume;
 - (v) Planted to a variety not contained in the Special Provisions; and
- (6) That does not include any acreage planted only to male parent seed (for example, a separate field containing only male plant seed). The exclusion does not apply to acreage containing male plant seed planted in a standard male/female planting pattern.

(b) An instrument in the form of a "lease" under which you retain control of the acreage on which the insured crop is grown and that provides for delivery of the crop under substantially the same terms as a hybrid vegetable seed processor contract will be treated as a contract under which you have an insurable interest in the crop.

(c) A hybrid vegetable seed producer who is also a commercial hybrid vegetable seed company may be able to insure the hybrid vegetable seed crop if the following requirements are met:

- (1) The seed company has an insurable interest in the hybrid vegetable seed crop;
- (2) Prior to the sales closing date, the Board of Directors of the seed company has executed and adopted a corporate resolution that contains the same terms as a hybrid vegetable

seed processor contract. This corporate resolution will be considered a hybrid vegetable seed processor contract under this policy;

(3) Sales records for at least the previous year's seed production must be provided to confirm that the seed company has produced and sold seed. If such records are not available, the crop may not be insured; and

(4) Our inspection reveals that the drying, processing and storage facilities satisfy the definition of a seed company.

(d) Any of the insured crop that is under a hybrid vegetable seed processor contract with different processors/seed companies may be insured under separate policies with different insurance providers, provided all acreage of the insured crop in the county is insured. If you elect to insure the insured crop with different insurance providers, you agree to pay separate administrative fees for each insurance policy.

9. Insurable Acreage

In addition to section 9 of the Basic Provisions, we will not insure any acreage of the insured crop:

(a) Not in compliance with the rotation requirements contained in the Special Provisions or, if applicable, required by the hybrid vegetable seed processor contract;

(b) If either the female or male parent plants are damaged before the final planting date and we determine that the insured crop is practical to replant but it is not replanted; or

(c) If for such acreage:

(1) The minimum guaranteed payment for the unit (minimum guaranteed payment per gross acre multiplied by the insured crop acreage in the unit) exceeds the applicable amount of insurance (per gross acre prior to any minimum guaranteed adjustment) multiplied by the insured crop acreage in the unit; or

(2) A hybrid vegetable seed processor contract allows payment to you for the sole purpose of growing the hybrid vegetable seed crop on the acreage without any responsibility for the costs and related financial risk of producing the crop.

10. Insurance Period

(a) In addition to section 11 of the Basic Provisions, insurance attaches upon completion of planting of the:

(1) Hybrid vegetable seed crop on or before the final planting date designated in the Special Provisions for female parent plant seed or female and male parent plant seed, as applicable; or

(2) Male parent plant seed in accordance with standard planting practices generally established for the insured crop and production area if a final planting date is not specified for male parent plant seed in the Special Provisions.

(b) In accordance with section 11 of the Basic Provisions, the calendar date for the end of the insurance period is October 31 of the crop year.

11. Causes of Loss

(a) In accordance with section 12 of the Basic Provisions, insurance is provided only against the

following causes of loss that occur within the insurance period:

- (1) Adverse weather conditions;
- (2) Fire (including smoke damage);
- (3) Wildlife;
- (4) Earthquake;
- (5) Volcanic eruption;
- (6) Failure of the irrigation water supply, if due to a cause of loss contained in section 11(a)(1) through (5) that occurs during the insurance period;
- (7) Insects, but not damage due to insufficient or improper application of pest control measures; or
- (8) Plant disease, but not damage due to insufficient or improper application of disease control measures.

(b) In addition to the causes of loss excluded by section 12 of the Basic Provisions, we will not insure against any loss of production due to:

- (1) The use of unadapted, incompatible, or genetically deficient male or female parent plant seed;
- (2) Frost or freeze after the date specified in the Special Provisions;
- (3) Failure to follow the requirements stated in the hybrid vegetable seed processor contract and production management practices of the processor/seed company; or
- (4) Failure to plant the male parent plant seed in accordance with section 10(a) of these Crop Provisions in a manner sufficient to assure adequate pollination of the female parent plants.

(c) Any insured cause impacting the female and male plant acreage resulting in a reduction in production to count, which is attributed to inadequate germination rates of the seed from female plants on the insured acreage, is not covered by the policy unless you have provided adequate notice as required by section 12(b).

12. Duties in the Event of Damage or Loss

- (a) In accordance with the requirements of section 14 of the Basic Provisions, you must leave representative samples of at least three complete planting patterns of the female and male parent plant rows that extend the entire length of each field in the unit. If you intend to destroy any acreage of the insured crop that will not be harvested, the samples must not be destroyed until after our inspection.
- (b) In addition to the requirements of section 14 of the Basic Provisions, you must give us notice of probable loss at least 15 days before the beginning of harvest if you anticipate inadequate germination on any unit. If you do not provide the required notice under this subsection, no indemnity payment will be due for the unit.

13. Settlement of Claim

- (a) We will determine your loss on a unit basis. In the event you are unable to provide separate acceptable production records for any basic units, we will allocate any commingled production to such units in proportion to our liability on the harvested acreage for the units.

(b) In the event of loss or damage covered by this policy, we will settle your claim on any unit by:

- (1) Multiplying the insured acreage by its respective amount of insurance (per gross acre) for the type;
- (2) If applicable, totaling the results of section 13(b)(1);
- (3) Dividing the total production to count by the number of gross acres;
- (4) Multiplying the hybrid vegetable seed processor contract price for each level of hybrid seed production per acre contained in your hybrid vegetable seed processor contract (in descending order starting with the highest hybrid vegetable seed processor contract price) by the applicable level of production and totaling the results;
- (5) Multiplying the result of section 13(b)(4) by the number of insured acres;
- (6) Subtracting the result of section 13(b)(5) from the result of section 13(b)(1) or (2), as applicable; and
- (7) Multiplying the result of section 13(b)(6) by your share.

Example 1: Stage I loss with no minimum payment

You have a 100 percent share in 40 gross acres of the winter hybrid carrot seed in the unit. The Stage I amount of insurance guarantee per gross acre is \$1,350.00 [county yield of 300 pounds per gross acre multiplied by your price election of \$15.00 per pound (the actuarial documents price election of \$15.00 times your 100 percent price election percentage), the result multiplied by the 75 percent coverage level equals \$3,375.00 per gross acre minus the minimum guaranteed payment of zero] times the Stage I percent (40%). Your hybrid carrot seed production to count for the unit was zero (the acreage was released in the unharvested stage with no production to count). For purposes of this example, the hybrid vegetable seed processor contract price of \$25/lb. is used in the calculations. The premium is based on the Stage II amount of insurance guarantee.

The premium due is \$12,150.00 (\$3,375.00 Stage II amount of insurance per gross acre × 40 gross acres × .09 premium rate × 100% share).

- (1) 40 gross acres × \$1,350.00 Stage I amount of insurance/gross acre = \$54,000.00;
- (2) 0 lbs. total production to count ÷ 40 gross acres = 0 lbs./gross acre;
- (3) \$25/lb. × 0 lbs./gross acre = \$0.00;
- (4) \$0.00 × 40 gross acres = \$0.00;
- (5) \$54,000.00 - \$0.00 = \$54,000.00; and
- (6) \$54,000.00 × 100 percent share = \$54,000.00 indemnity payment.

Example 2: Stage 1 loss with minimum payment

You have a 100 percent share in 40 gross acres of the winter hybrid carrot seed in the unit insured. The Stage I amount of insurance guarantee per acre is

\$350.00 [county yield of 300 pounds per gross acre multiplied by your price election of \$15.00 per pound (the actuarial documents price election of \$15.00 times your 100 percent price election percentage), the result multiplied by the 75 percent coverage level equals \$3,375.00 per gross acre minus the minimum guaranteed payment of \$2,500.00 per gross acre (\$2,200 per gross acre under the hybrid vegetable seed processor contract and \$300.00 per gross acre under a conservation contract from the seed company) times the Stage I percent (40%). Your hybrid carrot seed production to count for the unit was zero (the acreage was released in the unharvested stage with no production to count). For purposes of this example, the hybrid vegetable seed processor contract price of \$25/lb. is used in the calculations. The premium is based on the Stage II amount of insurance guarantee.

The premium due is \$3,150.00 [(\$3,375.00 Stage II amount of insurance per gross acre - \$2,500.00 minimum guaranteed payment per gross acre) × 40 gross acres × .09 premium rate × 100% share].

- (1) 40 gross acres × \$350.00 Stage I amount of insurance/gross acre = \$14,000.00;
- (2) 0 lbs. total production to count/gross acre ÷ 40 gross acres = 0 lbs./gross acre;
- (3) \$25/lb. × 0 lbs./gross acre = \$0.00;
- (4) \$0.00 × 40 gross acres = \$0.00;
- (5) \$14,000.00 - \$0.00 = \$14,000.00; and
- (6) \$14,000.00 × 100 percent share = \$14,000.00 indemnity payment.

Example 3: Stage II loss with no minimum payment

You have a 100 percent share in 40 gross acres of the winter hybrid carrot seed in the unit. The Stage II amount of insurance guarantee per gross acre is \$3,375.00 [county yield of 300 pounds per gross acre multiplied by your price election of \$15.00 per pound (the actuarial documents price election of \$15.00 times your 100 percent price election percentage), the result multiplied by the 75 percent coverage level equals \$3,375.00 per gross acre minus the minimum guaranteed payment of zero] times the Stage II percent (100%). Your hybrid carrot seed production to count for the unit was 6,000 pounds (150 pounds per gross acre) which will be valued based on the hybrid vegetable seed processor contract price for each level of production contained in your hybrid vegetable seed processor contract (\$25/lb. for the first 85 pounds of production; \$15/lb. for the next 150 pounds of production; and \$10/lb. for pounds in excess of 235 pounds). The premium is based on the Stage II amount of insurance guarantee.

The premium due is \$12,150.00 (\$3,375.00 Stage II amount of insurance per gross acre × 40 gross acres × .09 premium rate × 100% share).

- (1) 40 gross acres × \$3,375.00 Stage II amount of insurance/gross acre = \$135,000.00;
- (2) 6,000 lbs. total production to count ÷ 40 gross acres = 150 lbs./gross acre;
- (3) [(\$25/lb. × 85 lbs./gross acre) + (\$15/lb. × 65 lbs./gross acre)] = \$3,100.00;
- (4) \$3,100.00 × 40 gross acres = \$124,000.00;
- (5) \$135,000.00 - \$124,000.00 = \$11,000.00; and
- (6) \$11,000.00 × 100 percent share = \$11,000.00 indemnity payment.

Example 4: Stage II loss with a minimum payment

You have a 100 percent share in 40 gross acres of the winter hybrid carrot seed in the unit insured. The Stage II amount of insurance guarantee per acre is \$875.00 [county yield of 300 pounds per gross acre multiplied by your price election of \$15.00 per pound (the actuarial documents price election of \$15.00 times your 100 percent price election percentage), the result multiplied by the 75 percent coverage level equals \$3,375.00 per gross acre minus the minimum guaranteed payment of \$2,500.00 per gross acre (\$2,200.00 per gross acre under the hybrid vegetable seed processor contract and \$300.00 per gross acre under a conservation contract from the hybrid vegetable seed processor)] times the Stage II percent (100%). Your hybrid carrot seed production to count for the unit was 6,000 pounds (150 pounds per gross acre) which will be valued based on the hybrid vegetable seed processor contract price for each level of production contained in your hybrid vegetable seed processor contract (\$25/lb. for the first 85 pounds of production; \$15/lb. for the next 150 pounds of production; and \$10/lb. for pounds in excess of 235 pounds). The premium is based on the Stage II amount of insurance guarantee.

The premium due is \$3,150.00 [(\$3,375.00 Stage II amount of insurance per gross acre - \$2,500.00 minimum guaranteed payment per gross acre) × 40 gross acres × .09 premium rate × 100% share].

- (1) 40 gross acres × \$875.00 Stage I amount of insurance/gross acre = \$35,000.00;
- (2) 6,000 lbs. total production to count ÷ 40 gross acres = 150 pounds/gross acre;
- (3) [(\$25/lb. × 85 lbs./gross acre) + (\$15/lb. × 65 lbs./gross acre)] = \$3,100.00;
- (4) \$3,100.00 × 40 gross acres = \$124,000.00;
- (5) \$35,000.00 - \$124,000.00 = \$00.00; and
- (6) No indemnity due.

Example 5: Stage I and Stage II loss with no minimum payment

You have a 100 percent share in 40 gross acres of the winter hybrid carrot seed in the unit. Ten (10) gross acres were released in Stage I and the 30 remaining gross acres were harvested and qualified for Stage II. The Stage I amount of insurance guarantee per gross acre is \$1,350.00 [county yield of 300 pounds per gross acre multiplied by your price election of \$15.00 per pound (the actuarial

documents price election of \$15.00 times your 100 percent price election percentage), the result multiplied by the 75 percent coverage level equals \$3,375.00 per gross acre minus the minimum guaranteed payment of zero] times the Stage I percent (40%). The Stage II amount of insurance guarantee per gross acre is \$3,375.00 [county yield of 300 pounds per gross acre multiplied by your price election of \$15.00 per pound (the actuarial documents price election of \$15.00 times your 100 percent price election percentage), the result multiplied by the 75 percent coverage level equals \$3,375.00 per gross acre minus the minimum guaranteed payment of zero] times the Stage II percent (100%). Your hybrid carrot seed production to count for the unit acreage was 4,500 pounds (150 pounds per gross acre) which will be valued based on the hybrid vegetable seed processor contract price for each level of production contained in your hybrid vegetable seed processor contract (\$25/lb. for the first 85 pounds of production; \$15/lb. for the next 150 pounds of production; and \$10/lb. for pounds in excess of 235 pounds). The premium is based on the Stage II amount of insurance guarantee.

The premium due is \$12,150.00 (\$3,375.00 Stage II amount of insurance per gross acre × 40 gross acres × .09 premium rate × 100% share).

- (1) 30 gross Stage II acres × \$3,375.00 Stage II amount of insurance/gross acre = \$101,250.00; 10 gross Stage I acres × \$1,350.00 Stage I amount of insurance/gross acre = \$13,500.00;
- (2) (\$101,250.00 + \$13,500.00) = \$114,750.00;
- (3) 4,500 lbs. total production to count ÷ 40 gross acres = 113 lbs./gross acre;
- (4) [(\$25/lb. × 85 lbs./gross acre) + (\$15/lb. × 28 lbs./gross acre)] = \$2,545.00;
- (5) \$2,545.00 × 40 gross acres = \$101,800.00;
- (6) \$114,750.00 - \$101,800.00 = \$12,950.00; and
- (7) \$12,950.00 × 100 percent share = \$12,950.00 indemnity payment.

(c) Production to be counted as hybrid vegetable seed production will include:

- (1) All appraised production as follows:
 - (i) Not less than the amount of insurance (per gross acre) for acreage:
 - (A) That is abandoned;
 - (B) Put to another use without our consent;
 - (C) That is damaged solely by uninsured causes; or
 - (D) For which you fail to provide acceptable production records;
 - (ii) Production lost due to uninsured causes;
 - (iii) Potential production on insured acreage that you intend to put to another use or abandon, if you and we agree on the appraised amount of production. Upon such agreement, the insurance period for that acreage will end when you put the acreage to another use or abandon the

crop. If agreement on the appraised amount of production is not reached:

- (A) If you do not elect to continue to care for the crop, we may give you consent to put the acreage to another use if you agree to leave intact, and provide sufficient care for, representative samples of the crop in locations acceptable to us. (The amount of production to count for such acreage will be based on the harvested production or appraisals from the samples at the time harvest should have occurred.) If you do not leave the required samples intact, or fail to provide sufficient care for the samples, our appraisal made prior to giving you consent to put the acreage to another use will be used to determine the amount of production to count; or
- (B) If you elect to continue to care for the crop, the amount of production to count for the acreage will be the harvested production, or our reappraisal if additional damage occurs and the crop is not harvested;

- (2) Harvested clean seed production regardless of quality, unless the production has inadequate germination;
- (3) Any field-run or clean seed production purchased by a processor or seed company will be considered production to count regardless of the germination percent except as otherwise authorized in the Special Provisions; and
- (4) In accordance with section 2(c) of these Crop Provisions, any harvested hybrid vegetable seed production from any other insurable units that has been used to fulfill your hybrid vegetable seed processor contract for this unit.

14. Late Planting, Prevented Planting, and Written Agreements

The late planting, prevented planting, and written agreement provisions of the Basic Provisions are not applicable.